

AMENDMENT NO. _____ Calendar No. _____

Purpose: To prohibit Federal funds from being used to bail out the City of Detroit or other bankrupt municipalities.

IN THE SENATE OF THE UNITED STATES—113th Cong., 1st Sess.

S. 1243

Making appropriations for the Departments of Transportation, and Housing and Urban Development, and related agencies for the fiscal year ending September 30, 2014, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. CORNYN (for himself and Mr. GRAHAM)

Viz:

- 1 At the appropriate place, insert the following:
- 2 SEC. _____. (a) No funds appropriated or otherwise
- 3 made available under this Act may be used to provide as-
- 4 sistance to any local governmental entity described in sub-
- 5 section (c), including —
- 6 (1) the purchase or guarantee of any asset or
- 7 obligation of the local governmental entity;
- 8 (2) the issuance of a line of credit to the local
- 9 governmental entity;

1 (3) the provision of direct or indirect access to
2 any financing to the local governmental entity; or

3 (4) the provision of any other direct or indirect
4 financial aid to the local governmental entity.

5 (b) No funds appropriated or otherwise made avail-
6 able under this Act may be made available to a local gov-
7 ernmental entity described in subsection (c) that is exiting
8 a bankruptcy case under chapter 9 of title 11, United
9 States Code, unless the local governmental entity has dem-
10 onstrated a commitment to ensuring the solvency and gen-
11 erally sound financial condition of the local governmental
12 entity.

13 (c) A local governmental entity described in this sub-
14 section is a city, county, township, borough, parish, village,
15 or other general purpose political subdivision of a State
16 that, on or after January 1, 2013, has defaulted on the
17 obligations of such entity, or is at risk of defaulting or
18 is likely to default on the obligations of such entity absent
19 assistance from the Federal Government.